

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEBRASKA

IN RE:) CASE NO. BK10-80177
) CHAPTER 11
RICH LEARNING SYSTEMS, INC.,)
)
Debtor.)

**MOTION FOR ORDER REQUIRING DEBTOR
TO ASSUME OR REJECT EXECUTORY CONTRACTS**

COMES NOW the creditor Sylvan Learning, Inc. (hereinafter referred as "Sylvan") and moves this Court, pursuant to 11 U.S.C. 365(d)(2), for an Order requiring the debtor, Rich Learning Systems, Inc. ("Rich Learning") to make an immediate decision as to whether it intends to assume or reject the executory contracts it has with Sylvan. In support of its said Motion, Sylvan states and alleges as follows:

1. Sylvan was at all times pertinent hereto a creditor in the above captioned Chapter 11 bankruptcy proceeding.
2. Sylvan is the leading provider of in-center and live online tutoring to students Grades K through 12. Sylvan has more than 900 learning centers worldwide, including learning centers in Omaha, Nebraska, Bellevue, Nebraska and Sioux City, Iowa.
3. Rich Learning was at all times pertinent hereto a Nebraska corporation with its principal place of business in Columbus, Nebraska.
4. On or about April 1, 2003, Rich Learning entered into a License Agreement with Sylvan for the purpose of allowing Rich Learning to operate a Sylvan learning center in Sioux City, Iowa (hereinafter referred as the "Sioux City License"). Pursuant to the terms and conditions of the Sioux City License, Rich Learning was to do several things including, but not limited to, making certain license and royalty payments to Sylvan. That attached hereto marked Exhibit "A" and incorporated herein by this reference is a copy of the Sioux City License.
5. On or about April 1, 2003, Rich Learning entered into a License Agreement with Sylvan for the purpose of allowing Rich Learning to operate a Sylvan learning center in East Omaha, Nebraska (hereinafter referred as the "Bellevue License"). Pursuant to the terms and conditions of the Bellevue License, Rich Learning was to do several things including, but not limited to, making certain license and royalty payments to Sylvan. That attached hereto marked Exhibit "B" and incorporated herein by this reference is a copy of the Bellevue License.

6. On or about April 1, 2003, Rich Learning entered into a License Agreement with Sylvan for the purpose of allowing Rich Learning to operate a Sylvan learning center in West Omaha, Nebraska (hereinafter referred as the "Omaha License"). Pursuant to the terms and conditions of the Omaha License, Rich Learning was to do several things including, but not limited to, making certain license and royalty payments to Sylvan. That attached hereto marked Exhibit "C" and incorporated herein by this reference is a copy of the Omaha License.

7. On or about December 29, 2009, Sylvan sent by Certified Mail, Regular Mail and UPS Next Day Mail three (3) separate Notices of Termination to Rich Learning advising that the Sioux City License, Bellevue License and the Omaha License were to be terminated effective January 28, 2010. That attached hereto marked Exhibits "D", "E" and "F" and incorporated herein by this reference are copies of the Notices of Termination which were served upon Rich Learning.

8. On or about January 22, 2010, Rich Learning filed for relief under Chapter 11 of the *United States Bankruptcy Code* in the United States Bankruptcy Court for the District of Nebraska.

9. The Sioux City License, the Bellevue License and the Omaha License are executory contracts which are governed by 11 U.S.C. 365.

10. 11 U.S.C. 365(d)(2) provides that a Chapter 11 debtor may assume or reject an executory contract at any time before the confirmation of a plan.

11. 11 U.S.C. 365(d)(2) also authorizes a party to an executory contract to request the Court for an Order setting a time period in which the debtor must assume or reject an executory contract.

12. Sylvan requests this Court to issue an Order requiring Rich Learning to advise Sylvan within seven (7) days from the entry of the requested Order as to whether it intends to assume or reject the Sioux City License, the Bellevue License and the Omaha License.

13. Rich Learning is currently in substantial default of each of the license agreements and Sylvan needs to know whether Rich Learning intends to cure the defaults and continue with its business operations or whether it wishes to reject the Sioux City License, the Bellevue License and Omaha License.

14. Sylvan needs Rich Learning takes to make its decision to assume or reject as soon as possible so that it can mitigate its losses as Rich Learning continues to operate without meeting its financial obligations to Sylvan. If Rich Learning does not want to assume these executory contracts and bring them current, it should advise Sylvan of its intentions as soon as possible.

15. Sylvan has filed this Motion in good faith.

WHEREFORE, Sylvan prays this Court for an Order requiring Rich Learning to assume or reject the executory contracts it has with Sylvan within seven (7) days of the entry of this Order and such other and further relief as the Court deems just and proper.

SYLVAN LEARNING, INC.,
Creditor,

By Michael J. Whaley

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9013 NOTICE

TO: All Parties in Interest

You are hereby notified that Sylvan Learning Center, Inc. has filed the above Motion.
Nebraska Bankruptcy Rule 9013 applies to this motion.

You are further notified that any objection/resistance or request for hearing on the Motion must be filed within twenty-one (21) days of the date of filing of this notice, or on or before **March 24, 2010**. If the resistance period expires without the filing of any resistance or request for hearing the Court will consider entering an order granting the relief sought without further notice or hearing. If a timely resistance or request for a hearing is filed the Clerk shall schedule a hearing.

SYLVAN LEARNING CENTER, INC.,
Creditor,

By Michael J. Whaley

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Attorneys for Creditor.

CERTIFICATE OF SERVICE

I hereby certify that on the 3rd day of March, 2010, I caused the filing of the foregoing with the Clerk of the Bankruptcy Court using the CM/ECF system, and further certify that on the same date I mailed a copy of the document by regular United States Mail, postage prepaid, to the non-CM/ECF participants named below.

David Grand Hicks, dhickslaw@aol.com
Patricia Fahey, *U.S. Trustee**
Jerry L. Jensen, jerry.l.jensen@usdoj.gov

/s/ Michael J. Whaley

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